UNITED
NATIONS

E

Economic and Social Council

Distr.
GENERAL

E/1997/INF/1
7 January 1997

ORIGINAL: ENGLISH

THE WORLD ECONOMY AT THE BEGINNING OF 1997

Note by the Secretary-General

CONTENTS

	Paragraphs	Page
INTRODUCTION	1 - 8	3
I. SPREADING BUT SLOW GROWTH IN DEVELOPED ECONOMIES	9 - 33	6
A. North America: moderate growth with low inflation	15 - 18	7
B. Japan: some recovery finally takes hold	19 - 20	8
C. Europe: slow growth, converging economies	21 - 27	8
D. Macroeconomic policy: fiscal concerns take centre stage	28 - 33	10
II. GROWTH DISAPPOINTS IN MANY TRANSITION ECONOMIES	34 - 54	11
A. Momentum maintained in the faster-growing countries	36 - 39	11
B. Are some countries mired in slow-growth mode?	40 - 44	12
C. Starting date for Russian recovery postponed	45 - 51	13
D. Economic stirring in other Commonwealth of Independent States (CIS) countries	52 - 54	14
III. MORE GROWTH IN MORE DEVELOPING COUNTRIES	55 - 96	15
A. Africa's new economic growth	60 - 70	17
B. The adjustment/recovery path of Latin America and the Caribbean	71 - 77	20

97-00458 (E) 200197 210197

/...

CONTENTS

		Paragraphs	Page
C.	Seeking the sustainable rate of growth in Asia ...	78 - 96	21
	1. Policies of moderation in South and East Asia	80 - 84	21
	2. China's "soft landing"	85 - 91	23
	3. Growth boosted by oil prices in West Asia	92 - 96	24
IV.	INTERNATIONAL ENVIRONMENT FOR ENABLING ECONOMIC GROWTH	97 - 120	25
A.	Recovery phase of world trade growth fades	98 - 109	25
B.	Booming financial flows to countries with access .	110 - 120	28
	STATISTICAL ANNEX		31

TABLES

1. Growth of world output, 1981-1997 5

2. Number of developing economies and share of total population with rising per capita gross domestic product, by region or country group, 1991-1997 16

3. Import volume growth of developed economies, 1987-1997 26

THE STATE OF THE WORLD ECONOMY AT THE START OF 1997

INTRODUCTION

1. Finally, the world economy is growing as fast as it did in the 1980s. With low inflation in most countries, the growth may also be more sustainable than it was then. In many countries, however, there is not yet enough growth to help reduce poverty and unemployment adequately.

2. Both the developed and developing countries saw their rates of economic growth rise in 1996. Also, the rate of economic contraction slowed in the Commonwealth of Independent States (CIS), resulting in a small decline in overall output once again in the countries that are in transition from central planning to market systems (see table 1).

3. The developed economies are forecast to maintain their overall growth rate in 1997 and developing countries are expected to see a further small increase. It is expected as well that officially reported data of the transition economies will show a small increase in output for the first time in 1997, although the data of several large economies are known to underestimate the level of economic activity and thus the actual situation may have been improving more rapidly than indicated.

4. Economic growth is spreading to increasing numbers of developed, developing and transition economies. Beginning in 1995, over 100 countries out of the sample of 137 economies that are regularly monitored are estimated to have had rising output per capita, far more than in the recessionary early years of the decade (see table 1). This reflects growth impulses from recovery from recession in developed countries (even if sometimes halting), greater capacity to act on growth impulses in some transition economies and, for the developing countries, incentives from higher international commodity prices in recent years, as well as the strong growth of international trade and burgeoning international capital flows in the middle 1990s, not to mention better weather in Africa in 1996. Barring unforseen shocks, 116 countries are forecast to achieve this minimal benchmark of rising per capita output in 1997.

5. In many cases, however, output per person is rising slowly and lacks the dynamism - and poverty reduction - that comes from high levels of investment, capacity expansion, rapid productivity increase and rising employment. Indeed, the risk of marginalization remains high for low-income countries that perforce depend largely on commodity exports for foreign exchange earnings and official development assistance for foreign capital inflows.

6. With certain important exceptions, the course of the world economy in 1996 appears to have followed the path forecast by the United Nations Secretariat in June in World Economic and Social Survey, 1996.[1] World output is now estimated to have accelerated slightly faster than forecast, although the current outlook for 1997 is for slightly slower growth than was expected half a year ago (see table 1). Also, world trade growth has slowed as forecast, albeit with a larger deceleration than was expected in June (world export volume is estimated to have

grown 5.8 per cent instead of the 7 ¼ per cent forecast). The slowdown was spread among most groupings of countries (see table A.7).

7. Gross domestic product (GDP) of the developed economies grew slightly faster in 1996 than the 2 per cent forecast, mainly owing to a stronger-than-expected recovery in Japan (3.6 per cent versus 2 per cent forecast) (see table A.1). The economic growth of the developing countries was also slightly stronger than the 5 ½ per cent anticipated (see table A.6).

8. There was also, however, one major forecasting disappointment. Whereas aggregate GDP of the transition economies was expected to register its first increase of the decade, this now appears to have been postponed until 1997 (see table A.5). While most of the European economies grew and some quite rapidly, Bulgaria slipped into a steep recession. In addition, the Russian Federation did not post the positive growth numbers anticipated, although several of the central Asian economies did. In fact, even with output in the Russian Federation expanding in the latter part of 1997, it is expected that reported GDP of the Russian Federation will be smaller for 1997 as a whole than for 1996.

Table 1. Growth of world output, 1981-1997

(Annual percentage change)

	1981-1990	1991	1992	1993	1994	1995	1996[a]	1997[b]
World[c]	2.9	0.4	1.1	1.0	2.4	2.5	2.8	3
Developed economies	2.9	0.8	1.6	0.8	2.7	2.1	2.3	2 ¼
Economies in transition[d]	2.0	-8.6	-12.0	-7.1	-9.0	-1.8	-1.3	1 ½
Developing economies	3.1	3.5	4.9	5.0	5.4	5.2	5.7	6
Memorandum items:								
Number of countries with rising per capita output	74	69	75	61	93	106	104	116
Number of countries in sample	122	122	136	137	137	137	137	137
World output growth as seen in World Economic and Social Survey, 1996	2.9	0.3	1.1	0.9	2.4	2.4	2 ½	3 ¼

Source: Department for Economic and Social Information and Policy Analysis of the United Nations Secretariat (UN/DESIPA).

[a] Preliminary estimate.

[b] Forecast, based in part on Project LINK (the International Research Group of Econometric Model Builders, with headquarters at the Department for Economic and Social Information and Policy Analysis of the United Nations Secretariat).

[c] Calculated as a weighted average of individual country growth rates of gross domestic product (GDP), where moving weights are based on GDP in 1988 prices and exchange rates.

[d] Based on reported GDP, which seriously underestimates activity in several countries.

I. SPREADING BUT SLOW GROWTH IN DEVELOPED ECONOMIES

9. The recovery in the developed economies is in its sixth year in the United States of America and Canada, in its fifth year in the United Kingdom of Great Britain and Northern Ireland and in its fourth year in continental Europe and Japan (see table A.1). Growth is forecast to continue in all these countries in 1997, on average at about the same pace as in 1996.

10. In the second half of 1995 and the first half of 1996, output actually declined in various countries of continental Europe, but this turned out to have been a brief dip rather than the onset of a new recession (see table A.2). In the United States, growth accelerated to an annual average of 3.4 per cent in the first half of 1996 and then eased to a pace of about 2 per cent, which is likely to continue well into 1997. Among those other countries that, along with the United States, were the first to emerge from the previous recession, economic activity is gradually accelerating again in Canada, New Zealand and the United Kingdom, while in Australia and Ireland, growth, though declining, is still expected to reach 2.5 per cent and 4 per cent respectively. In continental Europe, there is likely to be some pick-up in growth from 1.5 per cent in 1996 to about 2.5 per cent in 1997. Moreover, after four years of relative stagnation, the Japanese economy gained momentum towards the end of 1995 and is expected to have grown by 3.6 per cent in 1996. However, in 1997 growth is likely to moderate to about 2 per cent.

11. The growth momentum has been supported by an easing of monetary policy in several countries. In 1996, official short-term interest rates were cut considerably in Europe (except in the United Kingdom) and Canada. In the United States, the Federal Reserve has sought to keep interest rates at a level consistent with steady growth and low inflation, which, in the event, entailed a real rate of slightly above 2 per cent. Meanwhile in Japan, interest rates have remained at a near-zero level. Monetary policy easing was accompanied by a decline in market interest rates. Also, the strengthening of the dollar against most major currencies after April 1995 has provided an additional stimulus to growth in several developed economies. Finally, after significant swings over the past two years, inventories are expected to track final demand more closely in 1997, thereby exerting a fairly neutral influence on growth.

12. Despite the easing of monetary policy, the increase in GDP in the developed countries will remain moderate. This is partly because many countries are engaged in multi-year efforts to cut budget deficits. In 1997, in most developed countries, fiscal policy is expected to stay tight and in the case of Japan to become so. At least in the short term, this will restrain demand. More generally, Governments and central banks have given the highest priority to achieving and maintaining a stable macroeconomic environment and thus are reluctant to see growth accelerate to a point where inflationary pressures mount. This view is shared by financial markets which, in an increasingly globalized economy, can - and do - alter bond prices, interest rates and exchange rates when they perceive fiscal or monetary policies to be unsustainable. With all parties interested in seeing non-inflationary growth, actual growth might appear lower than what would be otherwise achievable without this constraint. Yet, as the length of the present recovery in many countries

suggests, the priority given to avoiding reigniting inflation could be producing a much more durable expansion.

13. Indeed, the rate of inflation in the current recovery has been at its lowest since the 1960s. Consumer price increases in 1997 are likely to remain modest, averaging slightly above 2 per cent for the developed countries as a group (see table A.3).

14. Unemployment trends in developed economies have diverged. In the United States, the unemployment rate has dropped towards a range not seen since the early 1970s. Unemployment has also fallen in Canada and the United Kingdom, but only in the latter country is the current unemployment rate below its average of the 1980s. At the same time, in Japan and especially in continental Europe, unemployment remains high by historical standards and is not likely to recede much despite better growth prospects (see table A.4). Governments have sought explanations for the unemployment situation in the workings of labour markets and the regulatory environment. Efforts to reduce unemployment can thus be expected to focus on these fields and not on traditional measures to raise aggregate demand.

A. North America: moderate growth with low inflation

15. The economy of the United States appears to be on a growth path of slightly above 2 per cent while the unemployment rate has dropped to between 5 per cent and 5.5 per cent from its peak of 7.3 per cent in 1992. Almost all demand components, including inventories and business fixed investment, have been less volatile in the current recovery than usual, with no major imbalances having surfaced thus far. Also, although unemployment has fallen below the level previously thought liable to provoke higher inflation, the inflation rate is expected to stay at about 3 per cent. This combination of low unemployment and subdued inflation has been the most notable characteristic of the current recovery. The last time this occurred was in the 1960s.

16. In 1997, United States economic growth is likely to be supported by fairly low long-term interest rates, with business investment remaining the most dynamic component of demand and private consumption keeping up with moderate income growth. In addition, the outlook for exports is likely to improve further as growth picks up in the other developed economies and the exchange rate of the dollar stabilizes or even weakens, after having risen in the past year.

17. The Canadian economy seems to be heading towards stronger growth in 1997. A significant decline in interest rates since early 1995 boosted domestic demand in 1996 despite fiscal retrenchment. Final sales have been strong since late 1995. However, a huge rundown in inventories curtailed output growth in the first half of 1996. By mid-1996, however, the inventory overhang had been largely eliminated.

18. Canada's economic growth will likely be driven by private investment and exports. Consumption will stay relatively weak, reflecting sluggish personal income growth and growing household debt, which increased from 65 per cent of

personal disposable income in 1991 to almost 95 per cent in 1996; but the weakest component of demand will remain government spending owing to the continuation of fiscal austerity at all levels of government. The increase in growth is unlikely to put significant pressure on inflation, which has averaged 1.4 per cent over the past three years. Considerable slack remains in labour and product markets. At the same time, abetted by further cutbacks in the public sector, joblessness, which is almost twice as high as in the United States, is not expected to decline markedly.

B. Japan: some recovery finally takes hold

19. Japanese economic growth in 1996 was the highest since 1991. The main source of growth was the huge public spending programme implemented starting in 1995. Government fixed investment and private housing investment registered very high growth rates, while business fixed investment is estimated to have grown about 5 per cent. The latter may be a sign that the period of adjustment of production capacity has neared its end. At the same time, consumer spending has been lagging overall GDP growth, owing mainly to the weakness in the labour market. Consumer spending is not likely to recover markedly in 1997. Meanwhile, exports were relatively weak and imports strong in 1996, making the external sector a net drag on GDP.

20. Several concerns about the Japanese economy remain. The first is in the financial area. The write-off of bad debts could curtail the ability of commercial banks to make new loans. This in turn may adversely affect small and medium-sized enterprises, which are not well linked to capital markets. It should be noted that investment by these enterprises has been weak since 1993, while during past business cycles it led economic recovery. Second, it is not likely that private demand would fully compensate for the fiscal drag arising from a hike in the consumption tax scheduled for April 1997 and a significant decline in public spending once the present programme ends. Third, the contribution to demand from net exports, although turning positive, will be quite small. Consequently, the economy appears in a position to achieve only moderate growth in 1997 and beyond.

C. Europe: slow growth, converging economies

21. In Europe, economic growth picked up in the second half of 1996. Nevertheless, growth is expected to be moderate and unemployment is likely to be reduced only marginally. With few exceptions, in 1997, as in 1996, there will be relatively little difference in growth rates among European countries, as countries whose currencies depreciated earlier have seen their competitive advantage reduced by a subsequent appreciation. Like growth rates, rates of inflation are expected to exhibit relatively small differences: they are forecast to be mainly between 1.5 per cent and 3 per cent.

22. In France and Germany, growth is expected to gradually accelerate from about 1 per cent in 1996 to slightly above 2 per cent in 1997. Thus far, the German recovery has been export-led and there are still very few signs of a shift in the composition of growth from foreign to domestic demand. In

particular, business investment, which played a key role in previous recoveries, is languishing, concentration being mainly on rationalization rather than on expansion of capacity. Over the course of 1997, however, investment in machinery and equipment as well as inventory accumulation may gradually strengthen. In 1997, for the first time since reunification, growth in eastern Germany is expected to converge with that in the western part of the country and not be substantially greater.

23. In France, investment is expected to play an important role in the 1997 acceleration of GDP growth. Optimistic forecasts for investment are based on more accommodating monetary conditions and a firming in export demand, as well as on the need to modernize and restore productive capacities following the sharp decline in investment that occurred in the early 1990s. Also, some replenishment of inventories cannot be excluded. Unlike investment, consumer sperding is likely to lag overall GDP growth owing to low levels of consumer confidence, and moderation in the growth of wage rates within the context of high unemployment, as well as increased tax and social insurance contributions.

24. Economic activity in Austria, Belgium, the Netherlands, Switzerland and most Nordic countries is likely to proceed in a manner similar to that of economic activity in Germany, with the growth impetus being relatively evenly divided between domestic and external demand. The major exception is Norway where a strong rise in energy exports is boosting growth above trend. Unlike almost all other European countries, Norway enjoys a budget surplus, which is increasing.

25. The continuing expansion of economic activity in the United Kingdom is relying more on domestic sources. Exports have lost their lead role, owing to the sterling's appreciation and sluggish growth in most other European markets. At the same time, there has been a strong rebound in consumer spending and housing investment, supported by further declines in unemployment, rising real incomes and, to a lesser extent, a modest reduction in taxation. In addition, investment levels are likely to stay strong. Consequently, economic growth is expected to be well above 3 per cent in 1997, more than 1 percentage point higher than in 1996.

26. Since the start of its recovery in 1994, the Italian economy has been out of phase with its major partners. In 1995, owing to its earlier currency depreciation, the Italian economy grew faster than those of France and of Germany. However, tight monetary policy aimed at fighting inflation (which has been far above the European Union (EU) average), the appreciation of the lira since mid-1995, and the Government's exceptionally austere fiscal stance have combined to bring down the growth rate of GDP. As a result, the economy is estimated to have grown less than 1 per cent in 1996 and growth is not likely to increase significantly in 1997. Yet, progress was made on the front that most concerned policy makers, that is to say by the end of 1996, for the first time since 1969, the annual rate of inflation had been reduced below 3 per cent.

27. Economic activity also decelerated in 1996 in Spain and Portugal, albeit not so abruptly, as declining export growth was offset by some pick-up in domestic demand. In both countries, inflation was also reduced.

D. Macroeconomic policy: fiscal concerns take centre stage

28. In most developed countries, keen attention is being paid to fiscal deficit reduction, short-term economic fluctuations notwithstanding. In some countries, fiscal adjustment has been under way for several years and the benefits of the policy efforts, coupled with the effect of economic growth, can now be seen. This is the case in particular in the United States, where there have been four successive annual declines in the general (or consolidated) government deficit, amounting to a drop from 5 per cent of GDP in 1992 to about 1.5 per cent in 1996.

29. Canada has entered its fourth year of fiscal austerity. As a share of GDP, the consolidation has been greater than the much discussed fiscal consolidation in Europe. The federal government deficit declined from 4.9 per cent of GDP in 1993 to 2.1 per cent in 1996 and is projected to dip below 1 per cent in 1997. The deficit reduction has been achieved mainly through spending cutbacks. With present policies, the federal Government is likely to be able to begin lowering the federal debt during fiscal 1998/99. Simultaneous fiscal efforts at the provincial level resulted in a decline in the general government deficit from 7.2 per cent of GDP in 1993 to 2.3 per cent in 1996.

30. In Japan, the urgent need to reduce fiscal deficits, given the sharp increase in public debt and the future obligations of the Government to finance burgeoning social security payments, is likely to prevent the fiscal authorities from adopting any new major measures to stimulate demand; but, even if the Government were to attempt to stimulate demand, the long-term effects of public spending increases would not be expected to be high. Most of the effects of the huge public spending increases implemented since the fall of 1995 were experienced in the first quarter of 1996, but they tailed off towards the end of the year without creating a strong recovery momentum in the private sector. As the experience of the last three years shows, the unsatisfactory performance of the Japanese economy is due more to economic rigidities than to any mismanagement of aggregate demand. Hence, the Government's ability to push forward the deregulation of industries such as banking, insurance and telecommunications appears to be crucial for long-term economic growth.

31. In most European countries, economic policy-making has been dominated by the dual and interrelated objectives of meeting the budgetary criteria under the Maastricht Treaty on European Union, and at the same time, supporting sustained non-inflationary expansion. If growth falters, it will become even more difficult for many countries to reach deficit reduction targets by the end of 1997, a critical judgement year for meeting the Maastricht criteria for monetary union. That is to say, a reduction in growth would reduce tax revenues and add to expenditures on social programmes, particularly unemployment programmes. (On the other hand, lower interest rates as a result of a weak environment would help reduce debt-service costs and on this account would make it easier for countries to reach the targets.)

32. In some cases, the budgetary criterion is expected to be met with a smaller tightening of fiscal policy in 1997 than occurred in 1996. The notable exception is Italy. Spending cuts and new taxes built into the 1997 Italian budget are equivalent to a removal of 3 per cent of GDP from the economy. This

notwithstanding, the fiscal impulse in Western Europe as a whole is not likely to be more contractionary in 1997 than in 1996.

33. For the next several years, pressure for budget consolidation is likely to remain great across the developed economies, whether owing to a political commitment to drive the deficit to zero, as in the United States, or to a concern about forthcoming built-in increases in expenditure commitments, as in Japan, or to the Maastricht targets in Europe. Moreover, while the first year for meeting the Maastricht targets is 1997, the targets will remain in force - and could even be tightened - in future years. The success of any country's fiscal policies cannot be judged based on just one year's outcome.

II. GROWTH DISAPPOINTS IN MANY TRANSITION ECONOMIES

34. Several of the European economies that are in transition from central planning to market systems appear to be consistently achieving relatively steady rates of growth. That is to say, these economies grew in 1996 and are forecast to grow in 1997 at rates that are similar to those of recent years. This holds not only for relatively rapidly growing economies, but also for economies that are growing slowly (see table A.5). Also, other economies - notably, the Russian Federation and Ukraine - continue to register declining levels of output, with consensus prospects for turnaround now pushed beyond 1997.

35. That tendency to replicate recent output trends is not universal as is illustrated by Bulgaria's 1996 recession, which was the result of rising inflation, an overvalued currency, and an exchange-rate crisis and subsequent credit crunch. Also, economic growth has recently replaced contraction in more than half of the countries of CIS. The question in these countries, and indeed for all the transition economies, is whether they will be able to achieve on a sustained basis the rates of growth of about 5 per cent a year enjoyed by some of the Central and Eastern European countries.

A. Momentum maintained in the faster-growing countries

36. GDP grew by 4.5 per cent or more in 1996 in Albania, the Czech Republic, Poland, Romania and Slovakia. The Albanian situation is sui generis, as this small country seeks to overcome the economic distortions, poverty and extremely deep contraction of the pre-reform years. The other countries began the transition with more advanced economic structures. What the transition did was open up new business opportunities to the population and to enterprises at large. At first, substantial portions of output were directed to new export markets, but this was followed more recently by increased production for domestic markets.

37. As in earlier years, manufacturing production was the engine of growth of the more rapidly growing countries in 1996. The upturn in industrial production was also associated with strong gains in labour productivity. Construction performance has been particularly strong in the Czech Republic and Poland, with the start of large-scale housing construction programmes.

38. In the face of the economic slowdown in Western Europe, and thus the slower growth of exports to the main foreign markets of these countries, aggregate demand was boosted by strong private consumption, made possible by rising real wages, and increased investment. Improved macroeconomic conditions, changes in tax policy aimed at gradually reducing income tax rates, and increased government capital expenditure on infrastructure encouraged investment.

39. Inflation rates in the Czech Republic and Slovakia were below 10 per cent in 1996, but prices rose 20 per cent in Poland (albeit this figure was less than the 28 per cent inflation rate in 1995), while in Romania the rate of inflation accelerated to 40 per cent. In all, the inflation results reflect still incomplete systemic and structural changes; however, inflation has been contained by varying combinations of tight money, real appreciation of pegged exchange rates and control of administered prices. In most of the countries, lower inflation has reduced expectations of future inflation and interest rates have fallen.

B. Are some countries mired in slow-growth mode?

40. Some transition economies, in particular Hungary and the Baltic States of Estonia, Latvia and Lithuania, have now grown for two or more years, but rarely at rates that exceed 3 per cent a year (see table A.5). Nevertheless, important structural changes are under way in these economies, along with macroeconomic stabilization, which could lead to faster growth in the future.

41. In Hungary, acceleration of growth has been held back by concern about the size of fiscal and external imbalances. While it has attracted the most foreign direct investment, Hungary has had a significant debt overhang that absorbs considerable shares of foreign exchange and budget resources. Whereas Poland had asked for and obtained substantial debt forgiveness in 1992, Hungary decided not to pursue this course, fearing its access to credit markets might be harmed. Coupled with the macroeconomic adjustment imperative, domestic demand thus needs to be held back. Meanwhile, the Government has begun to address the necessary restructuring of the social safety network.

42. The strategy on the supply side has entailed seeking foreign direct investors as strategic partners in privatizing Hungarian State enterprises, involving the taking in of new technologies and working methods in the process. There has also been considerable "green field" investment by foreign firms. The strategy is meant to pay off in the medium run, but the large capital inflows have forced an appreciation of the currency in the short run, adding to the dampening effect on tradable goods and services of the slowdown in Western European markets.

43. The three Baltic States are expected to maintain slow rates of economic growth in 1997. Persistent inflation remains one of the major preoccupations of the three Governments. Also in the forefront of economic policy is the continuation of privatization programmes and structural changes in production and trade.

44. In Estonia, an earlier reliance on re-exports of Russian oil, metals and raw materials as the principal vehicle of economic activity was replaced by the recovery of domestic manufacturing production and, in particular, the service sector. An advanced privatization programme, the strict financial discipline of a currency board arrangement and a highly liberal trading regime are providing the foundation for a relatively rapid economic transformation. Yet inflation remains persistently high at 25 per cent and is forecast to decline only slightly in 1997. In Latvia, anti-inflationary policy also holds back final demand, keeps fiscal policy tight and constrains the recovery of output; but inflation is expected to decline from 20 per cent in 1996 to 12-15 per cent in 1997. In Lithuania, inflation fell in 1996 but was still over 25 per cent and thus, despite buoyant trade, demand restraints also continue to be applied.

C. Starting date for Russian recovery postponed

45. According to Goskomstat, the Russian statistical authorities, GDP in the Russian Federation was 6 per cent less in the first 10 months of 1996, compared with that in the same period of 1995, while industrial production shrank 5.3 per cent. Gross fixed investment contracted 15 per cent. The investment decline was particularly steep in manufacturing, especially in the sectors serving consumer demand. In light industry and building materials, as well as in agriculture, investment fell over 35 per cent. At the same time, investment in energy and industrial infrastructure was stable and, in some sectors, even grew. For 1996 as a whole, as table A.5 shows, a 5 per cent decline in GDP was estimated and a further decline of 1 per cent is forecast for 1997 (albeit with recorded output expected to begin to grow during the year). Data problems confound Russian macroeconomic indicators, however, which undoubtedly underestimate the level of economic activity and thus overestimate the actual rate of decline. Even so, the postponement of recovery as measured by official statistics can only be called disappointing.

46. However, on one policy goal, namely the lowering of the rate of inflation, there was significant progress made in 1996. The rate of increase in consumer prices was brought down dramatically. Data for December 1996 are expected to show the price level to be 22-23 per cent above the December 1995 level, compared with an annual increase of 131 per cent one year earlier. Inflation was lowered primarily by dampening aggregate demand through a restrictive monetary policy. One of the consequences was that a very high yield was needed to sell the treasury bills emitted by the Government to cover its deficit, keeping interest rates high and limiting credit, for example, for working capital.

47. The result was the curtailment of aggregate activity, although it was less than it might have been insofar as there was also a proliferation of surrogate financing through barter and by running arrears in tax and in other mandatory payments. Also, it appears that unreported cash payments rose significantly, both in roubles and, increasingly, in dollars, and this entailed a new surge in the displacement of economic activity into the unregistered "shadow" economy.

48. The expansion of the shadow economy was further stimulated by the methods the State used to make up for its shrinking tax revenues. Deficit reduction

could only be achieved by cuts in the Government's own expenditure, which often entailed the non-payment of wages to government workers and obligations to suppliers. In effect, this forced the entry of more workers and businesses into the shadow economy as a survival mechanism.

49. One indication that such factors swelled the growth of the shadow economy is that data on household income did not mirror the fall in reported GDP. Indeed, the reported share of the population with monetary incomes below the subsistence level in the first half of 1996 shrank to 23 per cent, compared with 29 per cent in the first half of 1995.

50. A major aspect of the difficulties encountered in 1996 was the sharp drop in payments to the Government. Enterprises, administrative units within the Russian Federation and individuals apparently decided, at first individually and eventually en masse, that there was little effective risk in not making their payments. Based on earlier experience, it might even have been thought possible that arrears would eventually be cancelled. Thus, for the first six months of 1996, tax revenue for the federal budget amounted to 7.7 per cent of GDP compared with 13 per cent in 1995. By June 1996 almost half of tax revenue owed to the federal budget was in arrears. Indeed, there was no significant enforcement effort in the period leading up to the presidential election in June and through the long period of uncertainty over the condition of the President. Only in November, after the Government had initiated well-publicized enforcement efforts against several major companies that were in arrears, was there a strong upsurge in tax remittances.

51. The Government still has to address the crucial decisions that have been pending since the election, decisions on nothing less than how extensive the future role of the State should be in the nation's economy, how large the share of resources redistributed through the State budget should be and how the State should promote - and finance - the structural changes in the economy. The Government must decide whether the State should serve mainly as a facilitator of the economy, what form its involvement in the new social safety mechanism should take and how deep that involvement should be. Different approaches to these and related problems dictate very different policy recipes for overcoming the present multifaceted crisis in the economy.

D. Economic stirring in other Commonwealth of Independent States (CIS) countries

52. As recently as 1995, all the CIS countries shared one basic feature: precipitous and sweeping economic decline (the two notable exceptions in 1995 were Armenia and Georgia, where GDP had grown a little after the nearly catastrophic collapse of previous years). Significant similarities in economic performance and policies remain. Inflation has been brought down in most of these countries though it is still uncomfortably high and, in some cases, such as that of Ukraine, volatile. Reducing budget deficits to manageable levels remains the major preoccupation of Governments, yet an inadequate legal basis, an unstable and exceedingly discretionary regulatory environment, high taxes and complicated tax systems and, in many cases, political uncertainties continue to force economic activity into the rapidly growing unregistered - and hence

untaxed - shadow economy. Domestic investment is far from adequate, while foreign investment tends to stay limited to a narrow array of projects, primarily in the energy and extraction sectors. The financial sectors continue to be manifestly weak, and the risk of banking crises, similar to the one that has seriously stalled the recovery in Latvia, in 1995, remains high.

53. Nevertheless, more than half of the CIS countries - Armenia, Georgia, Kazakstan, Kyrgyzstan, the Republic of Moldova, Turkmenistan and Uzbekistan - appear to have had positive GDP growth in 1996. In Kazakstan in particular, the tentative resumption of growth was the result of an upturn in foreign direct investment, a modest recovery of the country's bountiful extractive sector, and a concomitant increase in exports. Tight fiscal and monetary policies brought inflation down to about 1 per cent a month by early autumn 1996, and the budget deficit is to be kept to under 3 per cent of GDP in 1997.

54. In 1996, Ukraine's Government made strong efforts to break its record of hesitation and ambivalence in economic reform in the five years of independence. Tight monetary policy brought about a dramatic fall in inflation to low single-digit numbers in the summer. A recovery of export growth, an increase in the inflow of capital, in particular from the Russian Federation, and the resumption of the International Monetary Fund (IMF) standby programme in May improved the foreign reserve position. Based on these positive developments, in early September, the Government finally introduced the national currency, the hryvnya. Its introduction could be an important element in Ukraine's economic transformation. However, reported output continues to fall. Structural changes in the economy are progressing slowly, and the privatization process has been limited. At the same time, there are reports that the contraction of output in Ukraine might be seriously overstated, since the volume of unregistered economic activity in the country is believed to be much higher than in the other economies in transition and also to be growing. For Ukraine, as for the Russian Federation, the consensus forecast of continued economic contraction in 1997 could prove too pessimistic and the country might join the growing group of CIS countries that report rising output. Even so, simply achieving positive growth does not mean that all obstacles have been overcome and that the recovery will be sustained. Continuing government action on many fronts will be necessary to ensure that this occurs.

III. MORE GROWTH IN MORE DEVELOPING COUNTRIES

55. While, earlier, economic growth in developing countries was concentrated in several Asian economies and intermittently in Latin America, it now has become more widespread. Indeed, GDP per capita rose in 76 developing countries in 1996 (out of the 92 that are regularly monitored), accounting for 96 per cent of the population in the sample (see table 2). Moreover, the growth of per capita GDP is forecast to spread to an additional 2 countries in 1997, raising the share of the population included to 97 per cent.

Table 2. Number of developing economies and share of total population with rising per capita gross domestic product, by region or country group, 1991-1997

	1991		1992		1993		1994		1995		1996[a]		1997[b]	
	Number of countries	Percentage of total population[c]	Number of countries	Percentage of total population[c]	Number of countries	Percentage of total population[c]	Number of countries	Percentage of total population[c]	Number of countries	Percentage of total population[c]	Number of countries	Percentage of total population[c]	Number of countries	Percentage of total population[c]
Developing economies of which	54	82	60	85	50	81	59	85	72	90	76	96	78	97
Latin America	15	57	16	55	16	69	19	90	21	73	21	94	24	100
Africa	17	49	16	49	12	36	15	41	26	67	31	89	29	89
South and East Asia (including China)	15	96	16	97	16	97	17	99	16	99	16	99	16	99
West Asia	6	72	9	89	4	14	5	19	5	62	8	75	6	74
Least developed countries	12	43	16	60	16	66	17	53	24	82	23	80	21	78

Source: UN/DESIPA (including population estimates and projections from World Population Prospects: The 1996 Revision).

[a] Preliminary estimate.

[b] Forecast, based in part on Project LINK.

[c] Referring to the total population of the countries in the region or country group concerned within the sample, the total sample accounting for 98 per cent of all people in developing countries.

56. Rising per capita GDP is a very minimal and partial indicator of economic progress, especially for economies that are developing. It says only that the average real income generated in an economy is not stagnant or falling. Its achievement by virtually all developing countries should be considered not an "event", but rather a matter of routine. However, it has not been routine during much of the 1990s. In 1991, for example, GDP per person rose in only 54 developing countries accounting for 82 per cent of the total population in those countries.

57. Unfortunately - but typically - least developed countries with rising GDP per capita contain a smaller share of the total population of their group than the countries with rising GDP per capita in the developing world at large. Only 23 out of 36 monitored least developed countries (and out of 48 least developed countries in all) had rising GDP per capita in 1996. It can at least be said that roughly four fifths of the people living in least developed countries are in countries with rising per capita GDP, against roughly half at the beginning of the decade.

58. GDP in Africa is estimated to have grown over 4 per cent in 1996 and a 4 per cent rate of growth is forecast for 1997 (see table A.6). With population growing 2.7 per cent per year, this will raise per capita output for two years in a row for the first time since 1979-1980. By the same token, output in Latin America is estimated to have grown 3 per cent in 1996 and is forecast to increase 4 per cent in 1997. Thus, output per capita in Latin America returns to a rising trend after the 1995 interruption (population in the region grows slightly over 1.5 per cent annually).

59. In neither of these regions, however, can it yet be said that the rates of growth of output and thus incomes are sufficient to cut deeply into poverty or assure adequate growth of employment opportunities. That type of economic dynamism is still restricted to a limited number of economies, principally in Asia. Nevertheless, the spreading economic growth among the developing countries represents an encouraging and much awaited development on which to build.

A. Africa's new economic growth

60. The increase in the growth of GDP in Africa from under 3 per cent in 1995 to over 4 per cent in 1996 embodied strong growth in a large number of countries. At least 18 African countries saw their GDP rise by 5 per cent or more in 1996. Growth has been especially strong in the primary product sectors, on which the region remains heavily dependent, although manufacturing output has also risen significantly in some countries.

61. Some of the growth has been a temporary phenomenon, in particular the recovery from the earlier depression of agricultural output owing to drought; but the sustainability of other components of the growth acceleration cannot be taken for granted. It depends on continuing economic reform and increased investment in physical and human capital, as well as further development of institutions supportive of economic growth.

62. In nearly all countries of Africa, agricultural production has been a major factor behind the improvement in GDP growth. This was especially the case in northern Africa, where cereal production alone increased by 55 per cent in 1996. In Morocco, where drought had been particularly severe, cereal production increased by a factor of more than five fuelling GDP growth that is estimated to have reached 9 per cent in 1996. Growing conditions were generally favourable as well in central, eastern and western Africa. Ethiopia's record grain output in 1996 has brought that country close to attaining food self-sufficiency, which has been one of the main goals of its reform policies during the past five years.

63. In southern Africa, following a drought-induced decline in food production in 1995, agricultural output also recovered after adequate rainfall, yielding good harvests in the 1995/96 growing season. Record output of cash crops and food staples was registered in the region, enough to more than cover regional food consumption requirements for 1996. In South Africa, the agricultural sector gave the main impetus to GDP growth in 1996.

64. Mining was also a large contributor to the higher growth rate of GDP in many countries in 1996. Over the past few years, higher international prices, new mining codes with more clearly defined rights and obligations of foreign investors, and aid-financed geologic surveys had contributed to a large increase in the exploration for mineral deposits and with notable success. Gold production in particular has increased rapidly in several countries in western and southern Africa. In addition, the output of precious metals (diamonds, gold, platinum and others) rose in Botswana, Namibia, Zaire, Zambia and Zimbabwe and oil output increased in other countries.

65. While the production of minerals and much of agricultural production in Africa are mainly for external markets, increases in output and income in these sectors raise domestic demand and output generally. In this regard, the rise in non-oil commodity prices in 1994 and 1995 and the more recent increases in oil prices (see table A.8) have bolstered private incomes and fiscal revenues in much of Africa, raising domestic spending. This was a factor, for example, in the improved output growth in the central African part of the Communauté financière africaine (CFA) franc zone in 1996.

66. The contribution of manufacturing to economic growth varied significantly among countries. In a few cases, manufacturing was the fastest growing sector in 1996, albeit from a small base so that the contribution of manufacturing to GDP growth was small. In Côte d'Ivoire, the manufacturing sector has benefited from the devaluation of the CFA franc in January 1994, which made its exports to other countries in the region more competitive; and those exports have increased strongly. Moreover, domestic capacity in Côte d'Ivoire to process cocoa is expanding. The performance of the manufacturing sector in Nigeria, on the other hand, has continued to be weak, owing to weak demand, a shortage of imported inputs and infrastructure problems. The manufacturing sectors in several countries are confronting adjustment imperatives as a consequence of trade liberalization measures.

67. The revitalized regional integration initiative of Kenya, the United Republic of Tanzania and Uganda, now called the East African Cooperation,

provided expanded markets for local manufacturing output among member countries. Also, the signing of a new trade protocol among the member countries of the Southern African Development Community has paved the way for expanded markets and increased trade among the Community's member States, although regional manufacturing is increasingly dominated by South Africa.

68. For the medium term, output prospects in Africa depend on continuing progress in economic stabilization and structural reform. Thus, Algeria, for example, has liberalized domestic prices, the foreign exchange market and trade in a sequence of steps that began in 1994 and achieved a considerable degree of macroeconomic stability with the support of external finance and debt relief. In Egypt, economic reforms gained momentum at the beginning of 1996, with an accelerated privatization programme, further liberalized trade, reformed investment legislation and partial removal of rent controls.

69. Inflation rates declined in many countries in Africa in 1996, aided by the good harvests and restrictive monetary policies. In the CFA franc zone, inflation rates fell below double digits in all countries - and below 5 per cent in most countries - as the inflationary impulse from the 1994 devaluation of the CFA franc ended, while Governments maintained tight monetary and fiscal policies. In Nigeria, the annualized monthly rate of inflation dropped below 30 per cent in mid-1996 for the first time since early 1992, as a result of fiscal consolidation steps during 1995 and 1996. In Ghana as well, the monthly inflation rate has declined steadily as a result of a good food crop and tight fiscal and monetary policies. On the other hand, higher oil import prices contributed to an escalation of inflation in Kenya, among other countries, where monthly inflation rose to double-digit levels in mid-1996 for the first time since late 1994. In Angola and Zaire, price increases have been in the realm of hyperinflation, with quadruple-digit annual rates of price change.

70. In several countries of Africa, the normal determinants of production activities are impeded at least in some parts of the country, where the basic conditions of civil peace and security no longer exist. Liberia, Somalia and the Sudan feature prominently among these countries. The reconstruction of Angola's war-damaged economy was delayed in 1996 by the unexpected length of time required for the demobilization of armed combatants and the restoration of peace. In Rwanda, however, significant progress was made in the restoration of normal economic activities, involving in particular the rehabilitation of its agricultural sector. This led to a large increase in food output and an estimated 15 per cent rise in GDP in 1996. Much of the rest of the Great Lakes region of Africa experienced an extremely difficult period in 1996 because of ethnic tensions and conflicts, increased violence and open combat and a large number of across-border refugees and internally displaced persons, not to mention the effects of the embargo imposed on Burundi by neighbouring countries in 1996. With the return of large numbers of refugees to Rwanda as 1996 ended, the prospects are greater for reconstruction and recovery in 1997. Similarly, the peace agreement signed in Sierra Leone in November 1996 raised economic prospects in that country.

B. The adjustment/recovery path of Latin America and the Caribbean

71. The return to rising average income and output levels per capita in the 1990s in Latin America and the Caribbean had been interrupted in 1995 by the sharp economic contractions in Argentina and Mexico, which together account for over 40 per cent of regional GDP. With economic activity beginning to recover in these two countries in 1996, however, regional GDP grew 3 per cent, once again faster than population, and a further acceleration to 4 per cent is forecast for 1997. Nevertheless, economic growth rates of individual countries are, with few exceptions, not very high. Moreover, the growth of GDP slowed in 1996 in many countries, including Brazil, Chile, Colombia and Peru, and the level of output fell in Venezuela.

72. The growth of GDP slowed as well in much of Central America (although not in Honduras or Nicaragua), while it accelerated in several Caribbean countries. Cuba consolidated its recovery in 1996 with a GDP growth of around 5 per cent, as sugar production jumped by a third, and the mining and tourist sectors recorded strong increases, thanks in part to Australian and Canadian investments. Several smaller Caribbean economies (for example, Barbados, Belize and Jamaica) staged a modest recovery in 1996, as a result of diminished hurricane activity and thus less damage to crops and tourist infrastructure. Other economies in the region (for example, the Dominican Republic and Trinidad and Tobago) will have to wait until 1997, when most will grow faster if good weather holds, sustained by the tourism and agricultural sectors.

73. Overall, the relatively slow pace of economic growth did not help ease the employment situation in Latin America and the Caribbean, probably the most worrisome aspect of the current economic picture. Unemployment has hardly begun to decline from the peaks reached during earlier recessions, especially in Argentina, Uruguay and Venezuela, and it has increased in Colombia. In Brazil, the unemployment rate remains above the 1995 level. In addition to cyclical factors, structural elements, such as technological and organizational changes, rising international competition in labour-intensive industries and continued restructuring of the public sector, combined to limit job creation. The effect can be seen in increasing signs of job insecurity and rising informal sector activity. This has been accompanied by increased income inequality and social strains that have begun to emerge in the form of increased crime and popular discontent in a number of countries.

74. The unemployment situation underlines the difficult nature of the adjustment process that most countries of Latin America have been undergoing for several years in their transition to lower inflation and higher competitiveness. Yet, the commitment to continue with the chosen adjustment strategies has remained high, as Argentina and Mexico in having had to withstand the sharp contraction of activity in 1995 demonstrated. The policy corrections in those two countries, however, yielded significant results, especially in the external sector. At the end of 1996, even with an incipient recovery of domestic demand, both countries had a positive, albeit shrinking, trade balance, largely owing to their strong export performance.

75. The 1996 growth slowdown in most other countries reflected stabilization policies aimed at reducing inflation (as in Brazil, Chile and Colombia) or

external imbalances (as in Peru). Indeed, inflation rates continued to fall in most of the region. The annual inflation rate in Brazil reached about 12 per cent at the end of 1996, the lowest level in 39 years. Authorities there relied on tight monetary policy to secure the continued reduction in inflation, while fiscal policy is now expected to turn more restrictive, in part pending adoption of legislation by the Congress. This is regarded as essential to consolidating the stabilization plan and reaching the target of single-digit inflation, although as noted above it comes at a high social cost in the short run.

76. Venezuela initiated a new macroeconomic adjustment plan in 1996, the short-term effect of which included a doubling of open inflation to around 100 per cent for the year as a whole. This rate, by far the highest in the region, was largely due to the elimination of price controls and the sharp devaluation introduced as part of a draconian adjustment programme. Subsequently, the stabilization of the exchange rate and improved macroeconomic balances - in part from higher international oil prices - reduced inflationary expectations.

77. Latin America's inflation rate is projected to slow further in 1997 because of continued tight fiscal and monetary policies. Substantial progress on the inflation front is expected particularly in Venezuela and Mexico. In both countries, as in Argentina, Bolivia, Brazil and Ecuador, fiscal discipline is expected to lead to improved 1997 budget balances.

C. Seeking the sustainable rate of growth in Asia

78. Economic growth slowed in much of Asia in 1996, as policy makers in several countries - in particular, in South and East Asia and in China - sought to cool down economies whose very rapid rates of expansion had become unsustainable. In other Asian economies, however, in particular in West Asia, continuing adjustment imperatives could be accommodated with more rapid growth owing to a terms-of-trade windfall from higher-than-expected oil prices. Moreover, Turkey, which straddles Asia and Europe, had a second year of strong growth after the sharp monetary and fiscal tightening and attendant recession in 1994 (see table A.6 for details).

79. For 1997, a further or renewed easing of growth is forecast for most countries, as additional measures take hold to reduce internal and/or external imbalances. Indeed, in only 4 of the 30 Asian economies whose economic activity is regularly monitored (Iraq, Jordan, the Philippines and Sri Lanka) is the 1997 rate of growth of GDP expected to accelerate by 1 percentage point or more.

1. Policies of moderation in South and East Asia

80. Economic growth in South and East Asia as a whole decelerated in 1996 largely as a result of a slowdown of the growth of the economies that had very high growth rates in 1995. GDP growth in Indonesia, the Republic of Korea, Malaysia, Singapore and Thailand fell from a range of 8-10 per cent in 1995 to 6-8 per cent in 1996. The deceleration began in most of those countries in

early 1996, as a result of tightened monetary policy; but then growth continued to slow during the year as export growth declined sharply. Most other countries in the region either maintained a rate of GDP growth similar to that in 1995 or saw growth slow, the two notable exceptions being Papua New Guinea, which slowly began to recover from a sharp contraction in 1995, and the Philippines, where GDP growth is on an upward trend from the very low rates of the early 1990s.

81. Monetary tightening which was put in place in 1995 in the high-growth economies, as well as in India and the Philippines, has generally been maintained in 1996. This has had the intended effect of achieving a dampening of domestic demand which, combined with improved agricultural production in some countries, has reduced the rate of inflation significantly. The monetary stance is expected to remain tight in most economies, as inflation is considered still to be high in some countries (India, Indonesia and the Philippines), and concern continues about inflationary pressures from wage gains working their way through the system (Malaysia, Singapore and Thailand). Macroeconomic policies in Pakistan will be austere, based on the negotiated resumption of a standby agreement with IMF in 1996. In addition, where the external deficit is considered excessive (the Republic of Korea and Thailand), tight monetary policy helps to restrain the demand for imports.

82. The decline in export growth of the region was significantly more severe than anticipated earlier in the year. The appreciation of the dollar exchange rate during the year hurt the competitiveness of the exports of many economies in the region whose currencies are closely aligned with the dollar. In addition, economies such as the Republic of Korea, Malaysia, Singapore and Taiwan Province of China, which have a large share of information-technology products in their exports, suffered from the sharp consolidation of worldwide demand for these products during the first three quarters of 1996. Their export earnings were hit particularly hard by their specialization in semiconductors and types of computer equipment that have relatively low technological content and that were subject to more pronounced downward price pressures when demand fell. Furthermore, some economies with large shares of traditional labour-intensive exports also experienced a decline in competitiveness because of rising unit labour costs (Thailand and Malaysia). These last two developments underscore an important structural issue, namely the need to continuously upgrade the technology and skill levels of production in order to sustain a high rate of export growth.

83. Economic growth of the region in 1997 is forecast to continue at the same rate as in 1996. Growth will be stable or strengthen somewhat in those economies that suffered a significant slowdown in 1996. As macroeconomic policy will remain generally tight, however, the main impetus is expected to come from the recovery of exports, as the dollar exchange rate is forecast to remain stable and world demand for information-technology products to continue the cyclical upturn it began in the fourth quarter of 1996.

84. The Phflippines is expected to see growth accelerate further in 1997, bolstered by investment, exports and robust consumer spending. Sri Lanka is also expected to see a substantial rise in growth. It is forecast to grow 5 per cent in 1997, a more usual rate for this country than the one that it had

in 1996 owing to drought, its effect on electricity generation and the dampening of investment associated with worsened civil strife.

2. China's "soft landing"

85. Policy makers in China have sought for several years to reduce the growth of GDP in order to ease the pressure on prices from the very large annual increases in demand. It now appears that the growth of GDP finally fell below 10 per cent in 1996. The rate of inflation also maintained its declining trend, falling to less than 9 per cent in 1996 from 17 per cent in 1995.

86. The "soft landing" of the Chinese economy is the outcome of persistently tight monetary policy, accompanied by more direct measures, including curtailment of investment projects, government control over certain prices, and strict enforcement of credit ceilings through administrative controls. This combination of policies succeeded in containing investment growth, which had been the most dynamic source of demand. The growth rate of fixed investment was sharply reduced during 1995 (down to 18 per cent) and was cut back further in the first three quarters of 1996. Export growth also slowed, as in South and East Asia, after several years of very rapid growth. Consumer spending, on the other hand, remained robust.

87. Good performance by the agricultural sector helped to contain inflation as well as hold up GDP growth in 1996. Despite floods in wide areas of the country, total grain output is expected to have reached a record level of 489 million metric tons in 1996, partly in response to a 30 per cent increase in government purchase prices of agricultural products in June.

88. In view of the gains made against inflation, the Government relaxed monetary policy moderately during the year in order to alleviate the shortage of financing that State enterprises were facing. The credit ceiling on banks was raised, thus increasing loanable funds in the banking system. The central bank also cut interest rates on deposits twice during the year, lowering those rates by 3.5 percentage points in total.

89. State enterprise reform has been a particularly difficult policy challenge in China. The State-owned industrial sector, which still employs the majority of China's industrial labour force, suffers from low efficiency, and losses of those enterprises had been greatly aggravated by the tight credit policy. Stockpiling of unsold products worsened the situation of "chain debts", where enterprises owe each other money for supplies of raw materials and intermediate inputs. Currently, the Government is taking very cautious steps towards converting these enterprises into shareholding companies, making use of a growing domestic stock market.

90. Reforms in other areas, such as foreign exchange policy, the financial sector and foreign investment, were accelerated in 1996. The currency became freely convertible for current account transactions as of 1 December 1996. The establishment of an interbank market for funds and open-market operations by the central bank are strengthening the Government's ability to manage the economy with indirect means. The move towards putting local affiliates of foreign

companies on an equal footing with domestic companies was speeded up by granting equal rights and status to foreign companies while reducing tax and other privileges granted to foreign investment.

91. It can be expected that the priority attached to macroeconomic stabilization and sustainable growth and the general direction of economic policy will be maintained in 1997. As a result, GDP growth can be expected to maintain its 1996 pace and the rate of inflation is expected to moderate further in 1997. Although some monetary loosening may take place, a generally tight macroeconomic stance will persist. Financial sector reform and experimentation in State enterprise reform will continue.

3. Growth boosted by oil prices in West Asia

92. The West Asian region is economically dominated by the fortunes of the oil sector. As oil prices had weakened in recent years (see table A.8), several countries faced major economic adjustment requirements and loss of a major impetus to regional economic growth. The rise of oil prices in 1996 thus provided the oil-exporting countries with much-needed revenues to ease their fiscal imbalances. In addition, preliminary indications show that the current account balance of the oil-exporting countries of the region taken together has registered a surplus for the first time in more than a decade. The windfall also provided certain oil-exporting countries with the opportunity to repay some of their arrears to contractors and suppliers (Saudi Arabia) and reduce their debt (Islamic Republic of Iran).

93. Even with the boost from higher oil prices, economic expansion in the region is proceeding at an only moderate rate. Economic growth might be higher if not for the disappointingly slow pace of the regional peace process, the continuing burden of sanctions on Iraq and the low level of regional economic linkages. Earlier, the huge cost of the Gulf war and the heavy burden of subsidies and welfare benefits had produced cash flow problems and forced cuts in public spending in most of the countries of the Gulf Cooperation Council. Subsidy cuts and price rises had thus been introduced in a number of countries, including Saudi Arabia and the United Arab Emirates. The Government of Saudi Arabia is still keen on shielding the population from sudden price rises and is unlikely to reduce subsidies in 1997. In the Islamic Republic of Iran, a persistent budget deficit, large external debt obligations and a high rate of inflation will continue to constrain growth. The Government's strict import policy will also be sustained, restraining both consumption and production.

94. Nevertheless, the reform policies adopted by Saudi Arabia, the United Arab Emirates and other countries have enhanced the prospects of the current account's and budget's coming into balance. Economic reforms, aimed at cutting public spending and enhancing the role of the private sector by liberalizing trade and investment, continued to be implemented in most countries of the region. These reforms are expected to be sustained and will help to diversify local economies and boost economic growth, although some objectives, such as the privatization of large state assets, are not expected to make significant headway in the short term. In Saudi Arabia, however, the private sector has begun to participate in financing electric power projects.

95. In Israel, economic growth fell sharply from about 7 per cent in 1995 to 3.6 per cent in 1996, owing to tighter fiscal policy and a slowdown in investment associated in part with concerns over the peace process. The economy in the West Bank and Gaza, however, suffered a drastic slowdown and unemployment soared, at times, to 50 per cent, largely as a result of Israel's closure of its border with the Palestinian territories. The growth of economic activity in Jordan slowed to about 4.5 per cent, below a target level of 6 per cent. Inflation remained low despite a rise in prices of some essential items, such as bread, implemented under Jordan's adjustment programme. In Lebanon, while GDP growth decelerated in 1996 compared with that in 1995, it was still strong at about 5 per cent. Reconstruction and rehabilitation efforts were disrupted by renewed military conflict in early 1996, but recovered quickly and buoyant growth resumed.

96. In 1997, oil prices are expected to remain at the same level as in 1996 and Iraq is expected to be exporting oil. Both factors would help buoy economic activity in the region, although a continued tight macroeconomic policy stance is expected to further slow the Israeli economy. In addition, the uncertain pace of the peace process clouds the economic outlook for Gaza and the West Bank, for which the international community pledged almost $500 million in development assistance in November 1996.

IV. INTERNATIONAL ENVIRONMENT FOR ENABLING ECONOMIC GROWTH

97. World trade grew far less rapidly in 1996 than in the previous two years and only a modest acceleration is forecast for 1997 (see table A.7). This, however, is not so much a concern as a reminder of how unusually rapidly trade had grown in 1994 and 1995. On the other hand, the brief period of strong international prices of non-fuel commodities seems to have ended (see table A.8). Meanwhile, private financial flows continue to mushroom, while weakness characterizes flows of official development assistance, the most important source of external finance for low-income countries without the capacity to carry significant amounts of credit on commercial terms. As these are typically also commodity-dependent exporters, the international environment appears to be less enabling of the growth of these economies than that of the higher-income countries of the world.

A. Recovery phase of world trade growth fades

98. The volume of world exports is estimated to have grown 5.8 per cent in 1996, a figure well down from the 9 per cent growth in 1995 and 10 per cent growth in 1994 (see table A.7). However, when coupled with the forecast that world exports will grow 7¼ per cent in 1997, this looks less like the beginning of a trade "recession" than like a return to the growth rates of trade in the latter part of the 1980s; more precisely, world exports grew on average by 6.4 per cent a year during 1987-1990, which is virtually the average growth rate expected in 1996-1997. World trade growth had slowed in 1991-1993 and then leaped in 1994 and 1995, and it now appears to be returning to more "normal" rates of growth (see table A.7).

99. Underlying the changing growth rates of world trade has been the changing growth of imports of the developed economies, which together account for about two thirds of world import demand. The 1996 growth of the volume of imports of the developed economies was almost half the 1995 rate and 1997 growth is expected to continue at essentially the same pace as in 1996 (see table 3). The largest slowdown in 1996 was experienced by Japan and the United States, where imports had grown at unusually rapid rates in recent years. Import growth slowed in Western Europe as well.

Table 3. Import volume growth of developed economies, 1987-1997

(Annual percentage change)

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996[a]	1997[b]
Total	6.5	7.6	7.2	4.7	3.0	4.8	1.0	11.0	9.0	5.2	5.6
of which											
Japan	9.1	17.9	7.9	5.7	4.0	-0.4	3.0	13.6	12.5	7.2	4.8
United States	3.0	4.3	4.2	1.8	0.8	11.2	13.0	13.8	12.8	6.3	6.0
Western Europe	7.7	6.8	8.0	6.1	3.8	3.3	-4.5	8.9	6.6	4.3	5.3
Memorandum item:											
Income elasticity of imports[c]											
Total	2.0	1.7	2.0	1.8	4.9	3.1	1.2	4.1	4.3	2.3	2.5
of which											
Japan	2.2	2.9	1.6	1.1	1.1	-0.4	9.9	22.6	8.9	2.0	2.4
United States	1.0	1.1	1.2	1.4	-0.8	4.2	5.9	4.0	6.4	2.7	2.7
Western Europe	2.7	1.7	2.4	2.3	6.0	3.4	10.7	3.1	2.8	2.9	2.2

Source: UN/DESIPA, based on IMF, International Financial Statistics.

[a] Estimated.

[b] Forecast, based on Project LINK.

[c] Percentage change in volume of imports divided by percentage change in GDP.

100. The European import slowdown seemed mainly to reflect the slower growth of GDP in the economies concerned, while additional factors seem to have operated in the case of Japan and the United States, as indicated by the changed relationship between import growth and GDP growth shown in 1996 and forecast for 1997 (as presented in table 3) in comparison with that in 1994 and 1995. In the case of Japan, the rise in the exchange rate of the yen between 1991 and 1995 added up to a large import price incentive. Indeed, the yen appreciated 35 per cent against the dollar in this period, while in the first three quarters of 1996, the yen fell 14 per cent against the dollar. In the case of the United States, imports of capital goods, especially computers and related equipment, had loomed large in the earlier import growth, which had been part and parcel of the post-recession investment boom in the United States. The growth of such imports slowed dramatically in the first three quarters of 1996.

101. The global slowdown in import demand was reflected in smaller export growth in most groups of countries in 1996 (see table A.7). The most dramatic exception was in Latin America and the Caribbean, where the exports of Argentina and Mexico, the two largest exporters of the region, grew rapidly for the second year of their adjustment/recovery programmes. An important factor in the case of Argentina was the large exports to Brazil, its partner in the Southern Cone Common Market (MERCOSUR), which now takes 27 per cent of its exports. In another part of the globe, the Russian Federation's exports continued to grow sharply as well; in the first three quarters of 1996 their dollar value rose 9 per cent over the same period in the previous year, in part owing to a 17 per cent surge in exports to other countries of the CIS.

102. The slower growth of imports of the European market economies meant a slower growth of demand for the exports of the European transition economies. At the same time, the appreciation of the real exchange rates of the currencies of these countries and supply bottlenecks reflecting their incomplete economic transformation also held back their exports.

103. A special circumstance added to the slowdown of exports from China, in particular in the early part of 1996. The Government of China reduced its rebate to exporters of its value-added tax by 3 percentage points in late 1995. As a result, in addition to the expected dampening of exports in 1996, the policy change prompted enterprises to rush planned 1996 exports into 1995 in order to take advantage of the remaining months of the higher rebate rate.

104. In Africa, exports of agricultural and mineral commodities responded to the incentives of earlier price increases and, as regards agriculture, the better harvests, as noted above, while there was little growth in the volume of oil exports. Also, some countries continued to make progress in diversifying their economies. Non-traditional exports - such as horticultural products and light manufactures - and tourism continued to perform well and assumed increasing importance in raising export earnings, for example, in Ghana, Kenya, Madagascar, Uganda, Zambia and Zimbabwe.

105. Meanwhile, international commodity prices generally weakened during the year, petroleum prices being the most significant exception. Based on data for the first three quarters, dollar prices of non-fuel commodities declined by almost 3 per cent in 1996 (see table A.8). However, with the dollar strengthening against other major currencies in 1996, the average dollar prices of manufactured exports fell as well; but they fell less than commodity prices and thus "real" commodity prices also fell, albeit by less than 1.5 per cent as measured in terms of their purchasing power over manufactures exported by developed economies. With the growth of world output expected to remain moderate, commodity prices - whether measured in dollars or purchasing power over manufactures - seem to be well past their peak in the current cycle.

106. The index of food prices, the only major non-fuel commodity category in which a gain was recorded, rose over 10 per cent in the first three quarters as a result of large increases in grain prices. Prices of wheat and coarse grains soared to record high levels in the second quarter of 1996 after extensive, weather-related damage to the United States' winter wheat crop, lower yields in

other major producing countries, high worldwide demand, and stock levels that had dwindled precipitously to 20-year lows.

107. Tropical beverage prices dropped almost 20 per cent in the first three quarters of 1996, as a result of almost a 30 per cent fall in coffee prices. Unexpectedly large coffee exports from Brazil in mid-1996 precipitated the price erosion that accelerated during the remainder of the year. Coffee exports of African countries increased as well, as those countries sought to bolster export revenues by increasing export volumes to offset the price erosion. Moreover, several African countries withdrew from the export-retention scheme of the Association of Coffee Producer Countries (which had achieved some measure of success in strengthening prices in the previous two years), as it became increasingly costly to maintain stockpiles while prices declined.

108. Weak demand and excess supplies lowered prices of several industrial raw materials. Copper and aluminium prices, for example, dropped sharply as a result of poor demand in critical end-use industries such as construction and transportation in the United States and other countries. Copper prices, additionally, lost considerable ground after disclosures of substantial losses by a large Japanese company in trades of derivative financial instruments linked to copper, amid widely publicized speculation that the company controlled large unreported stocks of copper that had been used to manipulate market prices and prices of the derivative instruments. Strong import demand in China and other Asian countries, however, as in recent years, prevented steeper price declines of many commodities in this group.

109. Aided by further increases in the fourth quarter, petroleum prices were about 17 per cent higher in 1996 as a whole than in 1995, averaging about $20 a barrel for the basket of crude oils used as a standard by the Organization of the Petroleum Exporting Countries (OPEC). This is a level that had been universally considered highly improbable one year ago. Demand rose higher and supplies were more constrained than anticipated, the latter state of affairs being due to adherence by most members of OPEC to their agreed quotas and lower-than-expected non-OPEC output. When an exceptionally cold winter in the northern hemisphere raised demand, inventories were allowed to fall as the industry expected that Iraq would resume exporting oil under Security Council resolution 986 (1995), in which the Council authorized States to permit the import of petroleum and petroleum products originating in Iraq, sufficient to produce a sum not exceeding a total of US$ 1 billion every 90 days. When the timing of Iraq's re-entry into the market continued to be postponed, speculative purchases further boosted demand. By the end of the year, however, Iraqi exports had begun. Meanwhile, global oil stocks were lower than at the end of 1995 and the market was considered tight. In other words, any slight disruption in supplies is likely to trigger a new round of price increases. Barring that, however, oil prices are expected to soften in 1997, particularly after the winter season.

B. Booming financial flows to countries with access

110. The financial markets of the world were on track for a 25 per cent increase in international medium- and long-term lending in 1996. Developing countries

borrowed more in the first three quarters of the year than in all of 1995 (see table A.9). Transition economies also continued to tap these markets, albeit in smaller amounts. Their access, however, is growing, as witnessed by the Russian Federation's first Eurobond issue in November 1996, for $1 billion, which was oversubscribed. Multilateral development banks raised their borrowing on the markets, indicating a larger capacity on their part to disburse funds to developing and transition economies through their non-concessional windows.

111. Most of the developing-country users of private finance - direct investment as well as lending - are in Asia or Latin America. Net capital inflows into South and East Asia, in particular, continued to increase significantly in 1996, and were concentrated in India, Indonesia, Malaysia and the Philippines. Thailand was an exception, as capital flows slowed during the year when investor confidence began to erode owing to the deterioration of an already large current account deficit and policy uncertainties. More generally, the structure of inflows remain weighted in favour of the more stable direct investment component. High volumes of foreign investment continued to flow into China as well; in the first three quarters of 1996, direct investment flows were 17 per cent higher than in the same period of 1995.

112. Private capital flows to Africa have been largely - but not solely - concentrated in South Africa and countries of north Africa, where the net inflow did not change substantially in 1996. At the extremes of the changes, foreign portfolio investment in Egypt grew rapidly, while capital flows to South Africa dropped sharply in response to market uncertainties about policy developments.

113. Strong private financial flows to Latin America resumed in 1996. Faster-than-expected adjustment after the 1995 crisis and a more favourable international climate restored investors' confidence in the region and the associated access to foreign capital. Hence, while net capital inflows to Latin America at around $50 billion hardly changed in 1996, private flows are estimated to have nearly doubled, substituting in effect for the exceptional multilateral rescue packages of 1995. Foreign direct investment increased in 1996, especially in Argentina, Brazil, Chile, Colombia and Peru, but declined somewhat in Mexico. New privatization measures in the above countries, as well as in Bolivia and Venezuela, bode well for a further increase in direct investment in 1997.

114. Bond issues, particularly by the three largest economies, also resumed their growth, supported by lower interest rates in most industrialized countries, which induced investors to search for more profitable assets in "emerging" markets. New issues featured lower prices, longer average maturities and increased diversification into the deutsche mark and yen, now accounting for nearly 40 per cent of the total. The improved conditions favoured the refinancing on private capital markets of Mexico's official loans taken during the 1995 crisis.

115. The swing in investor sentiment in 1996 was quite dramatic, coming so soon after it had been rocked by events that began in Mexico and spread to other countries, while the fragility in the domestic financial systems of the affected countries that was revealed by the crisis has only begun to be addressed. The greater market confidence appears to be a testament to the sharp adjustments

undertaken by the countries, which were undoubtedly abetted by the quick measures taken by the international community to bolster the role of IMF in enhancing surveillance of emerging market countries and in making provision for emergency financing if needed.

116. Nevertheless, the prudent advice for policy makers in capital-importing countries would be, first, to seek to build and retain investor confidence through their own cautious macroeconomic policy-making and, second, to remember that international financial markets can become highly volatile and subject to herd instincts and thus capable of moving vast volumes of funds out of, as well as into, countries on short notice.

117. With the favourable financial and trade developments of 1996, developing countries as a group have once again begun net repayments of loans to IMF. After receiving $12.6 billion in net lending in 1995 (mainly owing to large disbursements to Latin America), developing countries made net repayments of $2.6 billion in the first nine months of 1996. Transition economies as a group remained net recipients of IMF resources ($3.2 billion in the first nine months), owing mainly to large loans to the Russian Federation.

118. Most IMF flows are to middle-income countries, but the Fund also lends on a concessional basis to low-income countries through its Enhanced Structural Adjustment Facility (ESAF). In the first three quarters of 1996, ESAF disbursements were only as large as repayments to IMF of earlier concessional loans. Other multilateral and bilateral lenders and donors provide additional - actually the main - sources of concessional flows to developing countries, but taken together the flows fell in 1995 and there is no indication that there has been any reversal in 1996.

119. There are, in fact, a number of low-income countries for which what they earn from exports plus what they receive in external financial assistance is insufficient to pay for essential imports and service their foreign debt obligations. For these countries, the most encouraging financial development in 1996 was the new commitment of the international community to taking a comprehensive approach to lightening their debt burdens, as needed, even if it would require more (and new) forms of debt reduction and refinancing than had ever been offered before. Individual countries, mainly in Africa, may begin to see the benefits of this new initiative in 1997.

120. However, even with the relieving of debt obligations, which will take several years to implement, low-income countries, including countries that did not fall into a debt trap, need expanding supplies of new concessional funds and for this the outlook is not encouraging. With aggregate official development assistance flows already at inadequate levels, the question is one of the degree to which donors plan to spread their assistance more thin or apply a kind of triage, abandoning or cutting back assistance in cases where the aid is deemed less fruitful.

Notes

[1] United Nations publication, Sales No. E.96.II.C.1 and corrigendum.

Table A.1. Developed economies: rates of growth of real GDP, 1987-1997
(Annual percentage change[a])

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996[b]	1997[c]
All developed economies	3.2	4.4	3.6	2.6	♦ 0.6	1.6	0.8	2.7	2.1	2.3	2¼
Major industrialized countries	3.2	4.6	3.6	2.6	♦ 0.6	1.7	0.9	2.6	2.0	2.3	2¼
Canada	4.3	4.9	2.5	-0.2	-1.8	0.8	2.2	4.1	2.3	1.7	3½
France	2.3	4.5	4.3	2.5	0.8	1.2	-1.3	2.8	2.2	1.0	2¼
Germany[d]	1.4	3.7	3.3	4.7	♦ 1.2	2.1	-1.1	2.9	1.9	1.3	2
Italy	3.1	4.1	2.9	2.1	1.3	0.9	-0.7	2.1	3.0	0.8	1½
Japan	4.2	6.2	4.8	5.1	3.8	1.0	0.3	0.6	1.4	3.6	2
United Kingdom	4.8	5.0	2.2	0.4	-2.0	-0.5	2.1	3.8	2.4	2.4	3½
United States	2.9	3.8	3.4	1.3	-1.0	2.7	2.2	3.5	2.0	2.3	2¼
Other industrialized countries	3.2	3.6	3.7	2.6	0.7	0.9	0.2	3.1	2.7	2.2	2¾
Memo items:											
Western Europe	2.8	4.0	3.4	2.7	♦ 0.6	1.0	-0.4	2.8	2.4	1.5	2½
European Union (15)	2.9	4.1	3.4	2.7	♦ 0.6	1.0	-0.5	2.9	2.4	1.5	2½

Source: UN/DESIPA, based on IMF, International Financial Statistics.

♦ Indicates discontinuity in the series: from 1991, Germany includes eastern Länder (States).

a Data for country groups are weighted averages, where weights for each year are the previous year's GDP valued at 1988 prices and exchange rates.

b Estimated.

c Forecast, based in part on Project LINK.

d Prior to January 1993, data refer to western Germany only.

Table A.2. Major industrialized countries: quarterly indicators, 1994-1996

	1994 quarter				1995 quarter				1996 quarter		
	I	II	III	IV	I	II	III	IV	I	II	III
					Growth of gross domestic product[a]						
Canada	4.0	6.8	4.7	5.9	1.1	-0.8	2.1	0.8	1.2	1.3	3.2
France	3.6	5.3	3.2	3.6	2.8	0.4	0.4	-1.6	4.5	-0.8	3.7
Germany	5.1	3.5	1.9	4.2	1.3	2.8	-0.1	0.3	-1.6	6.0	3.3
Italy	1.2	4.0	5.6	-0.1	4.9	0.4	8.7	-4.3	2.0	-1.6	2.0
Japan	3.2	0.7	3.5	-4.2	0.5	4.0	1.2	5.5	8.4	-1.1	0.4
United Kingdom	4.0	5.2	3.9	2.7	1.5	1.9	2.3	2.3	1.5	2.3	3.0
United States	2.5	4.8	3.6	3.2	0.6	0.5	3.6	0.5	2.0	4.7	2.0
Total	2.6	3.4	3.4	0.9	1.1	1.3	2.6	1.3	3.5	1.7	1.7
					Unemployment rate[b, c]						
Canada	10.9	10.6	10.1	9.7	9.6	9.5	9.4	9.4	9.5	9.6	9.7
France	12.4	12.5	12.3	12.0	11.7	11.5	11.5	11.9	12.1	12.2	12.4
Germany	8.6	8.6	8.3	8.1	8.1	8.1	8.2	8.5	8.9	8.9	8.9
Italy	11.7	12.5	11.1	11.4	12.2	11.9	11.9	11.9	12.0	12.0	12.2
Japan	2.8	2.8	3.0	2.9	2.9	3.1	3.2	3.3	3.3	3.5	3.3
United Kingdom	9.9	9.8	9.5	9.0	8.7	8.8	8.8	8.6	8.4	8.3	8.3
United States	6.5	6.1	5.9	5.5	5.5	5.6	5.6	5.5	5.6	5.4	5.2
Total	7.3	7.2	7.0	6.7	6.7	6.7	6.8	6.8	6.9	6.8	6.7
					Growth of consumer prices[d]						
Canada	-1.8	-1.5	2.2	1.1	4.4	2.9	1.1	0.0	1.8	2.9	0.6
France	1.8	2.2	0.7	1.9	2.2	1.8	1.4	2.2	2.9	3.2	-1.0
Germany	5.4	2.8	1.4	0.7	3.1	2.1	1.4	-0.3	2.4	2.0	1.5
Italy	5.1	2.7	3.3	4.4	7.0	6.9	4.1	4.4	4.1	5.0	0.6
Japan	0.7	1.5	-1.1	2.3	-2.2	1.5	-1.1	0.0	-1.1	2.7	-1.5
United Kingdom	0.7	7.3	0.0	2.8	3.6	7.3	1.0	0.7	2.0	5.5	0.7
United States	2.5	2.5	3.6	1.9	3.5	3.5	1.7	2.1	3.4	4.1	2.0
Total	2.2	2.5	2.4	2.1	2.3	3.3	1.1	1.4	2.1	3.6	0.7

Source: UN/DESIPA, based on data of IMF, Organisation for Economic Cooperation and Development (OECD) and national authorities.

a Percentage change in seasonally adjusted data from preceding quarter, expressed at annual rate (total is weighted average with weights being annual GDP valued at 1988 prices and exchange rates).

b Percentage of total labour force, reflecting seasonally adjusted data as standardized by OECD.

c For some countries, third quarter of 1996 is an estimate.

d Percentage change from preceding quarter, expressed at annual rate.

Table A.3. Developed economies: consumer price inflation, 1987-1997[a]
(Annual percentage change)

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996[b]	1997[c]
All developed economies	2.8	3.2	4.4	5.0	4.3	3.2	2.7	2.3	2.5	2.1	2½
Major industrialized countries	2.6	3.0	4.2	4.8	4.2	3.0	2.5	2.1	2.3	2.1	2½
Canada	4.4	4.0	5.1	4.7	5.6	1.5	1.9	0.2	2.2	1.4	1¾
France	3.3	2.8	3.4	3.4	3.2	2.4	2.1	1.7	1.7	1.9	1½
Germany, western	0.2	1.3	2.7	2.7	3.5	5.1	4.4	2.7	1.9	1.4	1½
Italy	4.7	5.1	6.2	6.5	6.2	5.2	4.5	4.0	5.3	3.9	3
Japan	0.1	0.7	2.2	3.1	3.3	1.7	1.2	0.7	-0.1	-0.0	1¾
United Kingdom	4.1	4.8	7.8	9.5	5.9	3.7	1.6	2.5	3.4	2.5	2½
United States	3.7	4.0	4.9	5.4	4.2	3.1	2.7	2.6	3.0	2.9	3
Other industrialized countries	4.2	4.3	5.2	6.2	5.3	4.1	3.8	3.2	3.4	2.7	2½
Memo items:											
Western Europe	3.0	3.4	4.8	5.5	4.9	4.3	3.5	2.9	3.1	2.5	2¼
European Union (15)	2.9	3.4	4.9	5.5	4.9	4.3	3.5	3.0	3.1	2.6	2¼

Source: UN/DESIPA, based on data of IMF, International Financial Statistics.

a Data for country groups are weighted averages, where weights for each year are consumption expenditure for the year valued at 1988 prices and exchange rates.

b Estimates.

c Forecast, based in part on Project LINK.

Table A.4. Developed economies: unemployment rates, 1987-1997[a]
(Percentage of total labour force)

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996[b]	1997[c]
All developed economies	7.2	6.6	6.1	6.0	6.7	7.4	8.1	8.0	7.6	7.6	7½
Major industrialized countries	6.7	6.1	5.7	5.6	6.2	6.8	7.2	7.1	6.7	6.8	6¾
Canada	8.8	7.7	7.5	8.1	10.2	11.3	11.2	10.4	9.5	9.6	9¼
France	10.4	9.8	9.3	9.0	9.5	10.4	11.7	12.3	11.6	12.3	12½
Germany[d]	6.2	6.2	5.6	4.9	4.2	4.6	7.9	8.4	8.2	8.9	9
Italy	10.9	11.0	10.9	10.3	9.9	10.5	10.3	11.4	11.9	12.0	12
Japan	2.9	2.5	2.3	2.1	2.1	2.2	2.5	2.9	3.1	3.4	3¼
United Kingdom	10.3	8.5	7.1	6.8	8.8	10.1	10.5	9.6	8.8	8.3	7¾
United States	6.1	5.4	5.2	5.4	6.6	7.3	6.9	6.1	5.6	5.3	5½
Other industrialized countries	9.8	9.3	8.4	8.1	8.9	10.1	12.2	12.5	11.8	11.7	11¼
Memo items:											
Western Europe	9.7	9.1	8.3	7.7	8.0	8.9	10.7	11.1	10.7	10.9	10½
European Union (15)	10.0	9.4	8.5	7.8	8.2	9.1	10.9	11.3	10.9	11.1	11

Source: UN/DESIPA, based on data of OECD.

a For the 7 countries shown and 10 others, unemployment data are standardized by OECD for comparability among countries and over time, in conformity with the definitions of the International Labour Office (see OECD, Standardized Unemployment Rates: Sources and Methods (Paris, 1985)); national definitions and estimates are used for other countries.

b Estimates.

c Forecast, based in part on Project LINK.

d Prior to January 1993, data refer to western Germany only.

Table A.5. Economies in transition: rates of growth of real GDP, 1987-1997
(Annual percentage change[a])

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996[b]	1997[c]
Economies in transition[d]	2.6	4.5	2.1	-6.1	♦ -8.6	-12.0	-7.1	-9.0	-1.8	-1.3	1½
Central and Eastern Europe[d]	2.2	2.7	0.1	-11.1	♦-10.6	-3.0	0.2	4.0	5.8	3.9	4¼
Albania	-0.8	-1.4	9.8	-13.1	-29.4	-6.0	11.0	7.4	6.0	6.5	6
Bulgaria	6.1	2.6	-1.4	-9.1	-6.9	-5.7	-3.7	2.2	2.5	-4.0	0
Former Czechoslovakia	0.8	2.6	1.3	-1.2	-14.2	-6.4					
Czech Republic							-0.9	2.6	4.8	4.7	5
Slovakia							-4.1	4.8	7.3	6.0	5
Hungary	3.8	2.7	3.8	-3.3	-11.9	-3.0	-0.8	2.9	1.5	1.0	2
Poland	2.0	4.4	0.2	-11.6	-7.0	2.6	3.8	5.0	7.3	5.3	5¼
Romania	0.8	-0.5	-5.8	-8.2	-12.9	-8.8	-3.0	4.0	6.9	4.5	4
Baltic States						-31.6	-14.4	1.5	1.3	1.7	2
Estonia						-14.8	-7.8	4.0	3.0	3.3	3
Latvia						-34.9	-14.9	0.6	-1.6	1.5	1¾
Lithuania						-35.0	-17.0	1.0	2.7	1.0	1½
Former Soviet Union	2.8	5.3	3.0	-4.0	-8.0						
Commonwealth of Independent States						-14.1	-9.6	-14.6	-5.7	-4.4	- ¼
of which											
Russian Federation						-14.5	-8.7	-12.6	-4.0	-5.0	-1
Kazakstan						-13.0	-12.9	-24.6	-8.9	0.7	1½
Ukraine						-13.7	-14.2	-23.0	-11.8	-9.2	-2¼

Source: UN/DESIPA and Economic Commission for Europe (ECE).

♦ Indicates discontinuity in series.

a Country group aggregates are averages weighted by GDP in 1988 dollars; for methodology, see World Economic Survey, 1992: Current Trends and Policies in the World Economy (United Nations publication, Sales No. E.92.II.C.1 and Corr.1 and 2), annex, introductory text.

b Partly estimated.

c Forecast, based in part on Project LINK.

d Including the former German Democratic Republic until 1990.

Table A.6. Developing countries: rates of growth of real GDP, 1987-1997
(Annual percentage change)

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996[a]	1997[b]
All developing countries[c] of which	4.1	4.5	3.5	3.1	3.5	4.9	5.0	5.4	5.2	5.7	6
Africa	0.6	2.7	3.0	2.2	1.4	0.8	0.4	2.0	2.8	4.1	4
Net energy exporters	-0.7	1.1	3.7	3.3	2.1	2.5	-0.3	0.8	3.1	3.6	3¼
Net energy importers	2.0	4.4	2.3	1.1	0.6	-1.0	1.1	3.2	2.4	4.7	4
Latin America	3.0	0.7	1.0	-0.1	2.9	2.2	3.0	4.6	1.0	3.0	4
Net energy exporters	2.2	3.1	0.7	4.7	4.7	3.7	0.8	2.5	-2.2	2.7	4
Net energy importers	3.3	-0.5	1.1	-2.6	1.8	1.3	4.4	5.8	2.8	3.2	4
South and East Asia[d]	7.0	8.5	6.3	6.6	5.4	5.2	5.5	6.7	7.2	6.4	6½
West Asia	-0.8	0.0	3.2	1.9	-0.2	5.7	2.6	0.4	2.9	3.7	3¼
Memo items:											
Major developing economies[e]											
China	11.1	11.3	4.3	3.9	8.0	13.2	13.4	11.8	10.2	9.8	10
Brazil	3.4	0.1	3.2	-4.4	0.9	-0.8	4.1	5.8	4.1	3.0	4
India	4.5	9.6	5.2	5.5	2.0	4.0	3.9	5.4	6.6	6.5	6½
Republic of Korea	11.5	11.1	6.4	9.5	9.1	5.1	5.8	8.4	9.0	6.7	6¾
Mexico	1.8	1.4	3.1	4.4	3.6	2.8	0.4	3.5	-6.2	4.3	4
Iran (Islamic Republic of)	-2.5	-2.0	4.0	10.0	6.0	6.0	1.8	0.0	3.0	4.0	2½
Taiwan Province of China	12.7	7.8	8.2	5.4	7.6	6.8	6.3	6.5	6.1	5.9	6
Indonesia	3.6	6.5	7.4	7.4	6.6	6.3	6.5	7.5	8.1	7.5	7½
Argentina	2.1	-2.8	-6.2	0.4	8.9	8.7	6.4	7.4	-4.4	2.8	3½
South Africa	2.1	4.2	2.4	-0.3	-1.0	-2.2	1.3	2.7	3.3	3.0	2½
Saudi Arabia	-1.4	7.6	0.2	9.0	6.0	3.0	1.6	-2.7	1.5	4.0	2¼
Turkey	2.2	2.2	-0.4	9.2	0.7	6.4	8.0	-6.0	7.9	7.0	4¾
Thailand	7.1	13.2	12.2	10.0	8.0	7.4	8.0	8.6	8.6	7.0	6½
Sub-Saharan Africa (excluding Nigeria and South Africa)	0.6	2.9	1.5	1.2	0.4	0.1	-0.7	1.5	3.9	4.9	4½
Least developed countries[f]	1.1	1.6	1.9	2.0	0.6	2.4	1.1	2.2	4.1	4.9	4¾

Source: UN/DESIPA.

a Preliminary estimates.
b Forecast, based in part on Project LINK.
c Covering 92 countries that account for 98 per cent of the population of all developing countries.
d Excluding China.
e Listed in descending order of their share in world GDP.
f Based on data and estimates for 36 of the 48 least developed countries, accounting for 95 per cent of total GDP of the grouping.

Table A.7. World trade: rates of growth of export volumes, 1987-1997
(Annual percentage change)

	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996[a]	1997[b]
World[c]	5.3	7.3	7.6	5.4	4.1	4.7	3.2	10.1	9.1	5.8	7¼
Developed market economies of which	4.5	7.9	7.1	5.0	3.5	4.2	1.8	10.1	8.7	4.7	5¾
Japan	0.4	5.9	4.3	5.3	2.5	1.5	-2.5	1.7	3.3	2.8	5
North America	8.1	15.9	8.4	6.9	6.0	8.2	6.9	11.5	14.0	6.3	7¼
Western Europe	4.2	5.9	7.4	4.1	2.3	◆ 3.4	0.4	11.1	7.6	4.3	5¼
Transition economies	2.5	4.5	-1.4	-9.5	-18.2	7.9	..	..	..	..	..
Eastern Europe	1.8	4.2	-2.9	-6.1	-9.4	-0.1	0.4	19.1	9.5	8.0	..
Former USSR	3.4	4.9	0.1	-13.0	-31.0	-22.7	..	..	..	..	..
Developing countries of which	8.5	6.3	10.7	9.1	8.7	5.6	7.1	11.5	11.2	9.0	10½
Africa[d]	1.0	0.5	5.0	14.7	7.7	-5.0	-3.4	3.2	5.6	0.9	..
Latin America and the Caribbean	4.9	5.7	7.1	2.9	4.9	3.1	7.6	9.2	14.6	15.1	..
South and East Asia	18.2	12.9	11.0	7.6	16.0	10.1	11.3	14.7	12.6	8.3	..
West Asia	-7.2	11.2	8.8	2.1	3.4	3.7	9.7	5.6	1.9	2.2	..
China	11.8	10.1	8.4	14.4	18.3	15.4	7.7	29.0	16.9	2.8	..

Source: UN/DESIPA and regional commissions of the United Nations.

◆ Indicates discontinuity in the series.

.. Indicates insufficient information for estimate with an acceptable degree of confidence.

a Preliminary estimate.
b Forecast, based in part on Project LINK.
c Excluding transition economies from 1993, owing to incomplete data.
d Excluding South Africa.

Table A.8. International prices of non-fuel commodities exported by developing countries, 1980-1996 (Annual percentage change[a])

		Food	Tropical beverages	Vegetable oil seeds and oils	Agricultural raw materials	Minerals and metals	Combined index Dollar	Combined index (SDR)	Prices of manufactured exports[b]	"Real" commodity prices[c]	Memo item: crude petroleum[d]
1980		65.5	-6.3	-13.3	10.6	11.6	27.6	27.6	11.1	14.9	21.5
1981		-20.0	-17.8	-4.3	-12.5	-16.0	-17.0	-9.0	-6.0	-11.7	-3.5
1982		-31.8	-5.2	-19.6	-13.4	-13.2	-21.8	-16.4	-2.1	-20.1	-7.2
1983		5.3	4.3	18.9	6.8	7.6	6.3	9.8	-3.3	9.9	-10.3
1984		-15.9	14.6	34.6	0.9	-7.1	-3.4	0.0	-3.4	0.0	-2.9
1985		-13.8	-9.1	-30.6	-9.9	-4.8	-12.3	-10.7	0.0	-12.3	-4.2
1986		10.0	24.0	-38.0	2.0	-5.0	4.0	-10.0	19.8	-13.2	-49.9
1987		6.4	-34.7	17.7	16.7	18.9	2.9	-6.7	12.7	-8.7	31.0
1988		29.9	1.2	31.5	8.4	45.1	26.2	21.4	8.1	16.7	-19.7
1989		5.9	-14.6	-11.5	0.0	0.0	0.0	4.9	-1.1	1.1	21.6
1990		-6.2	-11.4	-12.9	4.7	-9.8	-5.9	-11.2	9.9	-14.4	28.6
1991		-6.6	-8.1	8.1	-0.7	-9.5	-6.3	-7.4	0.0	-6.3	-16.4
1992		-2.1	-14.0	7.5	-3.7	-3.7	-3.4	-5.7	3.0	-6.2	-1.0
1993		0.7	6.1	0.0	-6.2	-14.7	-3.5	-2.4	-5.8	2.5	-11.4
1994		10.1	75.0	24.4	15.7	13.6	18.0	14.8	2.1	15.6	-4.9
1995		5.9	1.1	10.3	15.0	20.0	9.9	3.2	9.1	0.8	8.8
1996[e]		10.6	-18.6	-3.7	-10.4	-11.9	-2.8	2.8	-1.5	-1.3	14.0
1995	I	-0.4	73.3	24.1	29.4	39.4	21.3	12.8	9.3	11.0	25.4
	II	2.9	28.6	13.1	24.1	25.3	15.6	4.5	12.2	3.0	14.2
	III	10.8	-27.8	9.6	3.9	19.5	5.9	2.1	5.9	0.0	-4.1
	IV	9.3	-26.7	-2.4	5.4	1.9	1.4	0.0	4.9	-3.3	2.9
1996	I	13.3	-22.6	-7.2	-9.6	-8.1	-1.6	2.7	0.0	-1.6	8.2
	II	14.4	-18.2	1.2	-14.3	-7.3	-0.7	7.2	-3.6	3.0	7.7
	III	4.5	-14.3	-4.8	-6.9	-20.3	-6.0	-1.4	-0.9	-5.2	27.1

Source: Data of United Nations Conference on Trade and Development (UNCTAD), Monthly Commodity Price Bulletin; United Nations, Monthly Bulletin of Statistics; and OPEC Statistical Bulletin.

a For quarterly data, growth rate of quarter shown is relative to same quarter of previous year.
b Index of developed countries' manufactured export prices.
c Combined index of dollar commodity prices deflated by price index of manufactured exports.
d OPEC basket of seven crude oils.
e Three quarters only.

Table A.9. Funds raised on international credit markets, 1986-1996

(Billions of dollars)

	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996[a]
World total	321.4	303.7	371.9	385.3	361.4	432.5	458.3	625.8	669.7	841.3	788.6
Grouped by borrower											
Developed economies	283.5	259.9	329.2	344.5	311.8	373.0	396.5	534.2	577.8	727.1	671.5
Transition economies	3.9	3.7	4.3	4.7	4.7	1.7	1.5	6.2	3.6	6.8	4.6
Developing countries	23.9	28.2	27.9	23.1	29.5	43.2	39.4	64.7	75.9	89.7	94.0
Multilateral institutions	10.1	11.9	10.5	12.9	15.4	14.7	20.9	20.7	12.4	17.7	18.5
Grouped by instrument											
Bonds	228.1	180.8	229.7	255.8	229.9	308.7	333.7	481.0	428.6	467.3	522.4
International bonds	187.7	140.5	178.9	212.9	180.1	258.2	276.1	394.6	368.4	371.3	433.1
Foreign and special placements	40.4	40.3	50.8	42.9	49.8	50.6	57.6	86.4	60.2	96.0	89.3
Loans	93.3	122.9	142.2	129.5	131.5	123.8	124.6	144.8	241.1	374.0	266.3
Bank loans	63.2	91.7	125.6	121.2	124.5	116.0	117.9	136.7	236.2	370.2	258.1
Other facilities	30.0	31.2	16.6	8.4	7.0	7.7	6.7	8.2	4.9	3.8	8.1

Source: Data of OECD, Financial Statistics Monthly.

a Data for nine months only.

UNITED
NATIONS

E

Economic and Social Council

Distr.
GENERAL

E/1997/INF/2
13 January 1997

ORIGINAL: ENGLISH

CALENDAR OF CONFERENCES AND MEETINGS FOR 1997

Note by the Secretariat

The Secretariat is circulating herewith a list of meetings of intergovernmental and expert bodies in the economic, social and related fields to be held in 1997.

97-00959 (E) 160197

/...

MEETINGS OF THE ECONOMIC AND SOCIAL COUNCIL AND ITS SUBSIDIARY BODIES SCHEDULED TO BE HELD IN 1997

Dates	Venue	Title
6-10 January	New York	Committee on the Elimination of Discrimination against Women - Pre-sessional Working Group[1]
6-17 January	New York	Intergovernmental Negotiating Committee for the Elaboration of an International Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa,[1] tenth session
6-24 January	Geneva	Committee on the Rights of the Child,[1] fourteenth session
13-17 January	New York	Executive Board of UNDP and UNFPA, first regular session
13-31 January	New York	Committee on the Elimination of Discrimination against Women,[1] sixteenth session
16 January and 12 February	New York	Committee for the United Nations Population Award[1]
20-24 January	New York	UNICEF - Executive Board, first regular session
20-24 January	Geneva	UNCTAD - Commission on Enterprise, Business Facilitation and Development,[1] first session
20-31 January	Geneva	Commission on Human Rights - Working Group on a draft optional protocol to the Convention on the Rights of the Child on the involvement of children in armed conflicts
21-23 January	Rome	Executive Board of the World Food Programme, first regular session
22-24 January	New York	Committee for Development Planning - Working Group III
23 January	New York	Economic and Social Council - Election of Bureau
27-31 January	Geneva	Committee on the Rights of the Child - Pre-sessional Working Group[1]

Dates	Venue	Title
3-7 February	Bangkok	Fourteenth United Nations Regional Cartographic Conference for Asia and the Pacific
3-14 February	Geneva	Commission on Human Rights - Working Group on the question of a draft optional protocol to the Convention on the Rights of the Child on the sale of children, child prostitution and child pornography
4-7 February	New York	Economic and Social Council, organizational session
11-14 February	New York	Statistical Commission, twenty-ninth session
11-21 February	New York	Commission on Sustainable Development - Ad Hoc Intergovernmental Panel on Forests, fourth session
14-16 February	Geneva	UNCTAD - Working Party on the Medium-term Plan and the Programme Budget,[1] twenty-ninth session, first part
17-21 February	Baku	Commission on Narcotic Drugs - Subcommission on Illicit Drug Traffic and Related Matters in the Near and Middle East
17-21 February	Santo Domingo	INSTRAW - Board of Trustees, seventeenth session
18 February	New York	Sixth Meeting of the States Parties to the Convention on the Rights of the Child
19-21 February	Geneva	UNCTAD - Commission on Trade in Goods and Services and Commodities,[1] resumed first session
24-25 February	New York	Committee for Development Planning - Working Group I
24-28 February	New York	Commission on Population and Development, thirtieth session
24-28 February	Geneva	Commission on Human Rights - Open-ended working group on the question of a draft declaration on the right and responsibility of individuals, groups and organs of society to promote and protect universally recognized human rights and fundamental freedoms

Dates	Venue	Title
24 February-7 March	New York	Commission on Sustainable Development - Inter-sessional ad hoc open-ended working group
25 February-6 March	New York	Commission for Social Development, thirty-fifth session
3-7 March	Geneva	Commission on Human Rights - open-ended working group to elaborate policy guidelines on the effects of structural adjustment programmes on the full enjoyment of human rights
3-7 March	Geneva	Commission on Human Rights - Working Group on Situations
3-21 March	Geneva	Committee on the Elimination of Racial Discrimination,[1] fiftieth session
10-14 March	New York	Executive Board of UNDP and UNFPA, second regular session
10-21 March	New York	Commission on the Status of Women, forty-first session
10 March-18 April	Geneva	Commission on Human Rights, fifty-third session
17-21 March	New York	Human Rights Committee - Working Group on Communications[1]
17-21 March	Geneva	Board of Trustees of the United Nations Voluntary Trust Fund on Contemporary Forms of Slavery,[1] fourth session
18-19 March	New York	UNICEF - Executive Board, second regular session
18-27 March	Vienna	Commission on Narcotic Drugs, fortieth session
24-26 March	Rome	Executive Board of the World Food Programme, second regular session
24 March-11 April	New York	Human Rights Committee,[1] fifty-ninth session
March (2-3 days)	Geneva	UNITAR - Board of Trustees,[1] thirty-fifth session, first part

Dates	Venue	Title
7-25 April	New York	Commission on Sustainable Development, fifth session
14-16 April	Geneva	UNCTAD - Working Party on the Medium-Term Plan and the Programme Budget, twenty-ninth session, second part
21-25 April	Geneva	ECE, fifty-second session
21-25 April	Geneva	Board of Trustees of the United Nations Voluntary Fund for Indigenous Populations
21 April-2 May	New York	Thirteenth Meeting of Experts on the United Nations Programme in Public Administration and Finance
23-30 April	Bangkok	ESCAP, fifty-third session
28 April	New York	Committee for Programme and Coordination, organizational session
28-30 April	Addis Ababa	ECA - twenty-third meeting of the Conference of Ministers, thirty-second session of the Commission
28 April-7 May	Nairobi	Commission on Human Settlements,[1] sixteenth session
28 April-9 May	Vienna	Commission on Crime Prevention and Criminal Justice, sixth session
28 April-9 May	Geneva	Committee against Torture,[1] eighteenth session
28 April-16 May	Geneva	Committee on Economic, Social and Cultural Rights, sixteenth session
1-2 May	New York	Economic and Social Council, resumed organizational session
5-9 May	New York	High-level Committee on the Review of Technical Cooperation among Developing Countries,[1] tenth session
5-16 May	New York	Committee on Non-Governmental Organizations
6-16 May	Vienna	International Narcotics Control Board, sixty-second session

Dates	Venue	Title
7-9 May	New York	Committee for Development Planning, thirty-first session
12-16 May	Geneva	Commission on Science and Technology for Development, third session
12-16 May	Geneva	Commission on Human Rights - Working Group on Arbitrary Detention
12-16 May	New York	Commission on Human Rights - Working Group on Enforced or Involuntary Disappearances, fifty-first session
12-23 May	New York	Executive Board of UNDP and UNFPA, annual session
20-23 May	Geneva	Committee on Economic, Social and Cultural Rights - Pre-sessional Working Group
20 May-6 June	Geneva	Committee on the Rights of the Child,[1] fifteenth session
26-30 May	Geneva	Commission on Human Rights - Subcommission on Prevention of Discrimination and Protection of Minorities - Working Group on Minorities
27-29 May	Rome	Executive Board of the World Food Programme, annual session
May (8 days)	Geneva	Board of Trustees of the United Nations Voluntary Fund for Victims of Torture,[1] sixteenth session
2-6 June	New York	UNICEF - Executive Board, annual session
2-6 June	New York	Sixth United Nations Regional Cartographic Conference for the Americas
2-11 June	Geneva	Commission on Human Rights - Subcommission on Prevention of Discrimination and Protection of Minorities - Working Group on Contemporary Forms of Slavery
9-13 June	Geneva	Committee on the Rights of the Child[1] - Pre-sessional Working Group
9 June-3 July	New York	Committee for Programme and Coordination, thirty-seventh session

Dates	Venue	Title
25-27 June	Geneva	Board of Trustees of the Voluntary Fund for Technical Cooperation in the Field of Human Rights
30 June-25 July	Geneva	Economic and Social Council, substantive session
Second quarter (1 week)	Addis Ababa	Commission on Narcotic Drugs - Meeting of Heads of National Drug Law Enforcement Agencies, African Region
7-11 July	Geneva	Human Rights Committee[1] - Working Group on Communications
7-18 July	Geneva	Committee of Experts on the Transport of Dangerous Goods - Subcommittee of Experts on the Transport of Dangerous Goods, thirteenth session
14 July-1 August	Geneva	Human Rights Committee,[1] sixtieth session
21 July-1 August	Geneva	Commission on Human Rights - Subcommission on Prevention of Discrimination and Protection of Minorities - Working Group on Communications
28 July-1 August	Geneva	Commission on Human Rights - Subcommission on Prevention of Discrimination and Protection of Minorities - Working Group on Indigenous Populations
4-22 August	Geneva	Committee on the Elimination of Racial Discrimination,[1] fifty-first session
4-29 August	Geneva	Commission on Human Rights - Subcommission on Prevention of Discrimination and Protection of Minorities, forty-ninth session
18-22 August	Geneva	Commission on Human Rights - Working Group on Enforced or Involuntary Disappearances, fifty-second session
8 and 19 September	Tehran	United Nations Group of Experts on Geographical Names, nineteenth session
9-12 September	New York	UNICEF - Executive Board, third regular session

Dates	Venue	Title
9-18 September	Tehran	Seventh United Nations Conference on the Standardization of Geographical Names
15-19 September	New York	Executive Board of UNDP and UNFPA, third regular session
15-19 September	Geneva	UNCTAD - Working Party on the Medium-term Plan and the Programme Budget,[1] thirtieth session
15-19 September	Geneva	Commission on Human Rights - Working Group on Arbitrary Detention
22 September-10 October	Geneva	Committee on the Rights of the Child,[1] sixteenth session
29 September-3 October	Geneva	UNCTAD - Commission on Investment, Technology and Related Financial Issues,[1] second session
29 September-10 October	Geneva	Commission on Human Rights - Group of Experts to elaborate a strategy for the implementation and promotion of the right to development
September (2-3 days)	Geneva	UNITAR - Board of Trustees,[1] thirty-fifth session, second part
Third quarter (1 week)	Santiago	Commission on Narcotic Drugs - Meeting of Heads of National Drug Law Enforcement Agencies, Latin America and the Caribbean Region
Third quarter (1 week)	Bangkok	Commission on Narcotic Drugs - Meeting of Heads of National Drug Law Enforcement Agencies, Asia and the Pacific Region
13-17 October	Geneva	Human Rights Committee[1] - Working Group on Communications
13-17 October	Geneva	Committee on the Rights of the Child[1] - Pre-sessional Working Group
13-24 October	Geneva	UNCTAD - Trade and Development Board,[1] forty-fourth session
20 October-7 November	Geneva	Human Rights Committee,[1] sixty-first session

Dates	Venue	Title
28-30 October	Rome	Executive Board of the World Food Programme, third regular session
3-20 November	Vienna	International Narcotics Control Board, sixty-third session
10-21 November	Geneva	Committee against Torture,[1] nineteenth session
12-21 November	Geneva	Commission on Human Rights - Working Group on Enforced or Involuntary Disappearances, fifty-third session
17-21 November	Geneva	UNCTAD - Commission on Trade in Goods and Services and Commodities,[1] second session
17 November-5 December	Geneva	Committee on Economic, Social and Cultural Rights, seventeenth session
26 November	Geneva	Sixth meeting of States Parties to the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment[1]
26 November-5 December	Geneva	Commission on Human Rights - Working Group on Arbitrary Detention
November (4 days)	Geneva	Statistical Commission - Working Group on International Statistical Programmes and Coordination, nineteenth session
November (1 day)	New York	United Nations Pledging Conference for Development Activities
1-5 December	Geneva	UNCTAD - Commission on Enterprise, Business Facilitation and Development,[1] second session
8-12 December	Geneva	Committee on Economic, Social and Cultural Rights - Pre-sessional Working Group
8-19 December	Geneva	Committee of Experts on the Transport of Dangerous Goods - Subcommittee of Experts on the Transport of Dangerous Goods, fourteenth session
15-19 December	Geneva	Ad Hoc Group of Experts on International Cooperation in Tax Matters
December (1 week)	Tokyo	UNU - Council, forty-fourth session

/...

Dates	Venue	Title
December (2 days)	Vienna	Commission on Narcotic Drugs, resumed fortieth session
To be determined	Amman	ESCWA - nineteenth session
To be determined (2 weeks)	Geneva	Intergovernmental Negotiating Committee for the Elaboration of an International Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa, eleventh session
To be determined	Santiago	ECLAC - Committee of the Whole, twenty-fourth session

Notes

[1] Subsidiary body of the General Assembly.